Antitrust: Joint statement by the European Competition Network (ECN) on the application of competition law in the context of the war in Ukraine

- We, the ECN, join the European Council in its statement of 24 February 2022 (link), to condemn in the strongest possible terms Russia’s unprecedented military aggression against Ukraine. We stand firmly by Ukraine and its people as they face this war. We are fully aware of the social and economic consequences for Ukraine as well as for the EU/EEA.

- As stated in our joint statement on the application of competition law during the COVID crisis, the different EU/EEA competition instruments have mechanisms to take into account, where appropriate and necessary, market and economic developments. Competition rules ensure a level playing field between companies. This objective remains relevant also in a period when companies and the economy as a whole suffer from crisis conditions.

- The ECN understands that this extraordinary situation may trigger the need for companies to address severe disruptions caused by the impact of the war and/or of sanctions in the Internal Market. This may include for example cooperation in order to (i) ensure the purchase, supply and fair distribution of scarce products and inputs; or (ii) mitigate severe economic consequences including those arising from compliance with sanctions imposed by the EU.

- Considering the current circumstances, cooperation measures to mitigate the effect of severe disruptions would likely either not amount to a restriction of competition under Article 101 TFEU/53 EEA or generate efficiencies that would most likely outweigh any such restriction. In any event, in the current circumstances, the ECN will not actively intervene against strictly necessary and temporary measures specifically targeted at avoiding the aforementioned severe disruptions caused by the impact of the war and/or of sanctions in the Internal Market.

- If companies, on the basis of their self-assessment, have doubts about the compatibility of such cooperation initiatives with EU/EEA competition law, they can reach out to the Commission, the EFTA Surveillance Authority or the national competition authority concerned any time for informal guidance.

- At the same time, it is of utmost importance to ensure that essential products (for example energy, food, raw materials) remain available at competitive prices and that the current crisis is not used to undermine a competitive level playing field between companies. The ECN will therefore not hesitate to take action against companies taking advantage of the current situation by entering into cartels or abusing their dominant position.